

## State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF WATER RIGHTS

Michael O. Leavitt Governor Rubert L. Morgan Executive Director Jarry D. Olds State Engineer 1594 West North Temple, Suite 220 PO Box 146300 Self Lako City, Utah 84114-6300 (801) 538 7240 felephone (801) 538 7467 fax

July 23, 2003

Tu and Frum Inc David Murray, Owner P. O. Box 146 Lapoint, UT 84039

Dear Applicant:

RE: TEMPORARY APPLICATION NUMBER 49-2162 (T74962)

This is your authority to construct your works under the above reference application and to divert the water for the uses described.

While this approved application does give you our permission to divert and use water, it does not grant easements through public or private lands in order to gain access to the source nor to convey the water to the place of use, nor does this approval eliminate the need for such other permits as may be required by this Division or any other agency in implementing your diversion.

This application will expire July 23, 2004, and it is expected that no diversion or use of the water will be done after that date unless another proposal has been made and approved.

Your contact with this office, should you need it, is with the Vernal Regional Office. The telephone number is (435)781-5327.

Sincerely,

erry D. Olds, P.E.

State Engineer

JDO: kkh



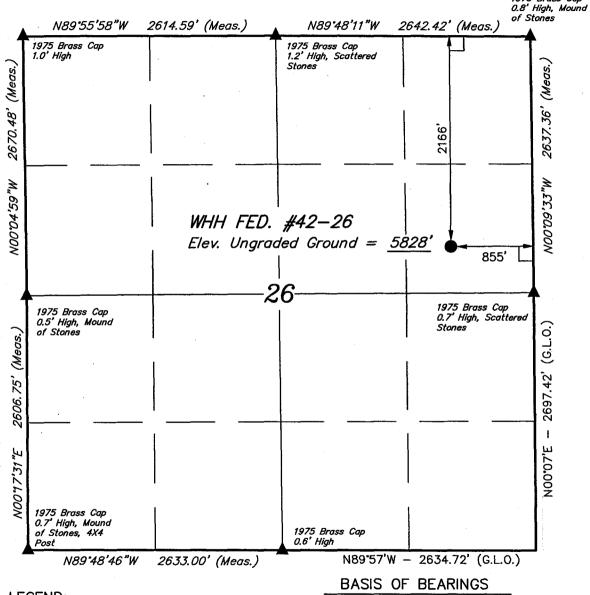
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## STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

AMENDED REPORT	
(highlight changes)	_

A DDI JOATION COD DEDMIT TO DDII I					UTU-80696 Federal	
1A, TYPE OF WORK: DRILL Z REENTER DEEPEN D					7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B, TYPE OF WELL: OIL GAS OTHER Tight Hole SINGLE ZONE MULTIPLE ZONE				8. UNIT OF CA AGREEMENT NAME: NA		
2. NAME OF OPE EnCana Oil	& Gas (L	JSA) Inc.			•	9. WELL NAME and NUMBER: WHH Fed 42-26
3. ADDRESS OF 0		600 <sub>CITY</sub> Denve	STA.	TE CO ZIP 802	PHONE NUMBER: (720) 956-3702	10. FIELD AND POOL, OR WILDCAT: West Hell's Hole
4. LOCATION OF						11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
		IL, 855' FEL	6456	58X -1	9.92113	SENE 26 10S 25E
		zone: Same			- 1.0014	
		RECTION FROM NEAR ernal, Utah	EST TOWN OR PO	ST OFFICE:		12. COUNTY: 13. STATE: UTAH
		OPERTY OR LEASE LII	NE (FEET)	16. NUMBER OF	FACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
515' FNL					831.43	40
18. DISTANCE TO APPLIED FOR	NEAREST WE ON THIS LEA	ELL (DRILLING, COMPL ASE (FEET)	ETED, OR	19. PROPOSED		20. BOND DESCRIPTION:
2556'	(CLICIA/IAA IET	UED DE DE CO ETC		22 ADDOONING	4,300	RLB 0004733 23. ESTIMATED DURATION:
5828' GR	(SHOW WHE!	HER DF, RT, GR, ETC.)		1/1/2004	ATE DATE WORK WILL START:	7-15 days
24.	0.00000000				ND CEMENTING PROGRAM	
8-3/4"	7"	ZE, GRADE, AND WEIGI J-55,STC	20#	SETTING DEPTH 440		I.18 cfp/sx wt. 15.6 ppg
**8-3/4"	7"	J-55, STC	20#	880		2.65 cfp/sx wt. 12 ppg
0-0/4		0 00, 010	2011			1.03 cfp/sx wt. 15.6 ppg
					**Contingent deeper	on hole conditions
6-1/4"	4-1/2"	J-55, LTC	10.5#	4,300		2.65 cfp/sx wt. 12 ppg
h		·				1.03 cfp/sx wt. 15.6
25.			•	ATTA	CHMENTS	
VERIFY THE FOL	LOWNG ARE	ATTACHED IN ACCORD	DANCE WITH THE U	UTAH OIL AND GAS C	ONSERVATION GENERAL RULES:	
<b>✓</b> WELL PL	AT OR MAR DR	REPARED BY LICENSE	SUBVEVOR OR E	INCINEED	COMPLETE DRILLING PLAN	
						DECON OR COMPANY OTHER THAN THE LEASE CHARLES
A EAIDENC	E OF DIVISION	OF WATER RIGHTS A	PPROVAL FOR US	SE OF WATER	FORM 5, IF OPERATOR IS PE	RSON OR COMPANY OTHER THAN THE LEASE OWNER
7						
NAME (PLEASE	PRINT) Judit	th A. Walter			TITLE Regulatory/Pe	rmitting Analyst
SIGNATURE	& vo	teth a. U	Dalter	NO POVE	DATE 11/19/2003	
(This space for Sta	te use only)	O		Actoral Mariocos	effectiven on all for a street	rod
		.10 :-		Della I	Itah Division of	RECEIVED
API NUMBER AS	SIGNED:	43-047-3	5354	OH	GAPPROVADE Mining	NOV 2 1 2012
			.,	Date:	1-28-03	
(11/2001)				(See Instruction	ons on Besselve Side 4	DIV. OF OIL, GAS & MINING

### T10S, R25E, S.L.B.&M.



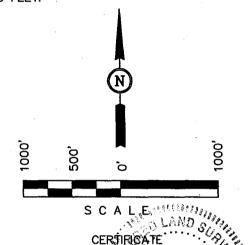
### EnCana OIL & GAS (USA) INC.

Well location, WHH FED. #42-26, located as shown in the SE 1/4 NE 1/4 of Section 26, T10S, R25E, S.L.B.&M. Uintah County, Utah.

1975 Brass Cap

#### BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE NORTHEAST CORNER OF SECTION 36, T10S, R25E, S.L.B.&M. TAKEN FROM THE WEAVER RIDGE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR. GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 6040 FEET.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SUBJECTS WAS BY ME OR UNDERSMY SUPERVISION AND THAT THE SAME ARD THE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELLEF

STATE OF UTAH

### UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000	,		DATE SURVEYED: 10-16-03	DATE DRAWN: 10-17-03
PARTY D.A. R	.D. D.	R.B.	REFERENCES G.L.O. PLA	T
WEATHER			FILE	
COOL			EnCana OIL &	GAS (USA) INC.

#### LEGEND:

= 90° SYMBOL

PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

BASIS OF BEARINGS IS A G.P.S. OBSERVATION. (AUTONOMOUS NAD 83)

LATITUDE = 39.55'16.28'' (39.921189)

LONGITUDE =  $109^{\circ}03'43.91'$  (109.062197)

# ATTACHMENT TO FORM 3160-5 TEN POINT DRILLING PLAN WEST HELLS HOLE FEDERAL 42-26

\_\_\_\_\_\_

1. OPERATOR: WELL NAME:

EnCana Oil & Gas (USA) Inc West Hells Hole Federal 42-26 SE/4-NE/4, Sec 26, T10S, R25E

LOCATION (SL):

Rio Blanco County, CU Martala County, UT

#### 2. ESTIMATED TOPS OF GEOLOGICAL MARKERS (TVD)

Formation	MD
LOWER SEGO	2346
LLOYD	2569
MANCOS A *	2839
MANCOS SILT	3725
MANCOS B*	3951
MANCOS BENTONITE	4157
MANCOS SHALE	4199
TD	4300

NOTE: Based on elevation of 5828' GL / 5835' RKB.

#### 3. <u>ESTIMATED TOPS OF POSSIBLE WATER, OIL, GAS OR MINERALS</u>

The estimated depths at which possible water, oil, gas or minerals will be encountered are as follows:

Formation	MD
LOWER SEGO	2346
LLOYD	2569
MANCOS A *	2839
MANCOS SILT	3725
MANCOS B*	3951
MANCOS SHALE	4199
TD	4300

#### 4. OPERATOR'S SPECIFICATIONS FOR PRESSURE CONTROL EQUIPMENT

- a. Minimum working pressure on rams and BOPE will be 2,000 psi.
- Function test and visual inspection of the BOP will be conducted daily and noted in the IADC Daily Drilling Report.
- c. Both high and low pressure tests of the BOPE will be conducted.
- d. The Annular BOP (optional) will be pressure tested to a minimum of 50% of its rated working pressure.
- e. Blind and Pipe Rams/BOP will be tested to a minimum of 100% of rated working pressure (against a test plug).
- f. Surface casing will be tested from surface to TD (float collar) at 1,500 psi surface pressure (prior to drilling out the float collar).
- g. All other casing will be pressure tested to 0.22 psi/ft or 1,500 psi, whichever is greater, but not to exceed 70% of the internal yield.
- h. BOP testing procedures and testing frequency will conform to Onshore Order No. 2.
- i. BOP remote controls shall be located on the rig floor at a location readily accessible to the driller. Master controls shall be on the ground at the accumulator and shall have the capability to function all preventors.
- j. The kill line shall be 2" minimum and contain two kill line valves, one of which shall be a check valve.
- k. The choke line shall be 2" minimum and contain two choke line valves (2" minimum).
- 1. The choke and manifold shall contain two adjustable chokes.

# ATTACHMENT TO FORM 3160-5 TEN POINT DRILLING PLAN WEST HELLS HOLE FEDERAL 42-26

- m. Hand wheels shall be installed on all ram preventors.
- n. Safety valves and wrenches (with subs for all drill string connections) shall be available on the rig floor at all times.
- o. Inside BOP or float sub shall also be available on the rig floor at all times.
- p. Upper kelly cock valve (with handle) shall be available at all times.
- q. A non-lubricated stripping head will be utilized to drill into the producing formation.

#### Note: Special Drilling Operations

- r. Properly lubricated and maintained rotating head for normal drilling operations
- s. A non-lubricated stripping head will be utilized to drill into the producing formation.
- t. Spark arresters on engines or water cooled exhaust\*
- u. Blooie line discharge 100 feet from well bore and securely anchored
- v. Straight run on blooie line unless otherwise approved
- w. Deduster equipment\*
- x. All cuttings and circulating medium shall be directed into a reserve or blooie pit\*
- y. Float valve above bit\*
- z. Automatic igniter or continuous pilot light on the blooie line\*
- aa. Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the well bore
- bb. Mud circulating equipment, water, and mud materials (does not have to be premixed) sufficient to maintain the capacity of the hole and circulating tanks or pits

Proposed BOP and Choke Manifold arrangements are attached.

#### 5. PROPOSED CASING AND CEMENTING PROGRAM (Measured Depths)

					and the second s	
DEPTH (MD)	HOLE SIZE	SIZE	WEIGHT	CSG	GRADE/ THREAD	CEMENT VOLUME
0-20'+/-	11"	9-5/8"	Linepipe	Conductor	Preset	Drive
0-440' or	8-3/4"	7"	20 ppf	Surface	J-55, STC	117 sxs Premium Type V w/ 2% CaCl2 + ¼ lbs/sx flocele, 15.6ppg / 1.18 Cu ft/sx
0-880'* Contingent on Hole Conditions	8-3/4"	7"	20 ppf	Surface	J-55, STC	75 sxs Premium Lite (12 ppg / 2.65 cfpsx) 75 sxs Premium + (15.6 ppg / 1.03 cfpsx)
0-4300	6-1/4"	4-1/2"	10.5 ppf	Production	J-55, LTC	226 sxs Premium Lite (12 ppg / 2.65 cfpsx) 75 sxs Premium + (15.6 ppg / 1.03 cfpsx)

#### **Cementing Volume Design Assumptions:**

#### Surface Casing

- 1. Designed to surface assuming gauge hole plus 110% excess.
- \*Contingent deeper setting depth dependent on hole sloughing encountered while drilling. Deeper surface casing setting to facilitate later running of production casing with hole sloughing.

#### **Production Casing**

1. Designed to surface assuming gauge hole plus 50% excess.

# ATTACHMENT TO FORM 3160-3 TEN POINT DRILLING PLAN WEST HELLS HOLE FEDERAL 42-26

#### 6. <u>DIRECTIONAL DRILLING PROGRAM</u>

Straight hole.

Directional control will be maintained by single shot surveys every 500', bit trips, and at TD.

#### 7. PROPOSED DRILLING FLUIDS PROGRAM

DEPTH	MUD TYPE	DENSITY	VISCOSTIY	FLUID
		lbs/gal	(sec/qt)	LOSS (cc)
0' - 440'	air	n/a	n/a	n/a
440' – TD'	air mist (KCl, polymer,	n/a	n/a	n/a
	and soap)			

#### 8. <u>TESTING, CORING AND LOGGING</u>

a. Drill Stem Testing - none anticipated

b. Coring – none anticipated.

c. Mud Logging -none anticipated

d. Logging Program:

Open Hole Logging Interval

Array Induction SP/ GR (Optional) TD to Surface casing. FDC-CNL-GR-PE (Optional) TD to Surface casing

Cased Hole\*\*

CBL/CCL/GR/VDL TD to top-of-cement (\*\* CBL optional if cement to

surface during primary cementing)

#### 9. ABNORMAL PRESSURES OR TEMPERATURES; POTENTIAL HAZARDS

None anticipated. There are no known abnormal pressures, temperatures, or potential hazards in the area.

Anticipated maximum bottom hole pressure is less than 500 psi.

#### 10. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS

Location construction is to begin immediately upon receiving the approved drilling permit or as allowed by winter and wildlife stipulations. The spud date is flexible, and could be accelerated or delayed as required to fit rig schedules.

The drilling operation is anticipated to require  $\pm$  7 days.

## EnCana OIL & GAS (USA) INC.

WHH FED #42-26 LOCATED IN UINTAH COUNTY, UTAH SECTION 26, T10S, R25E, S.L.B.&M.

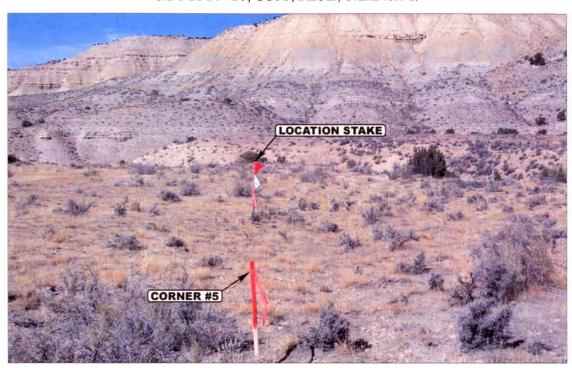


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

**CAMERA ANGLE: NORTHWESTERLY** 



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

**CAMERA ANGLE: NORTHEASTERLY** 



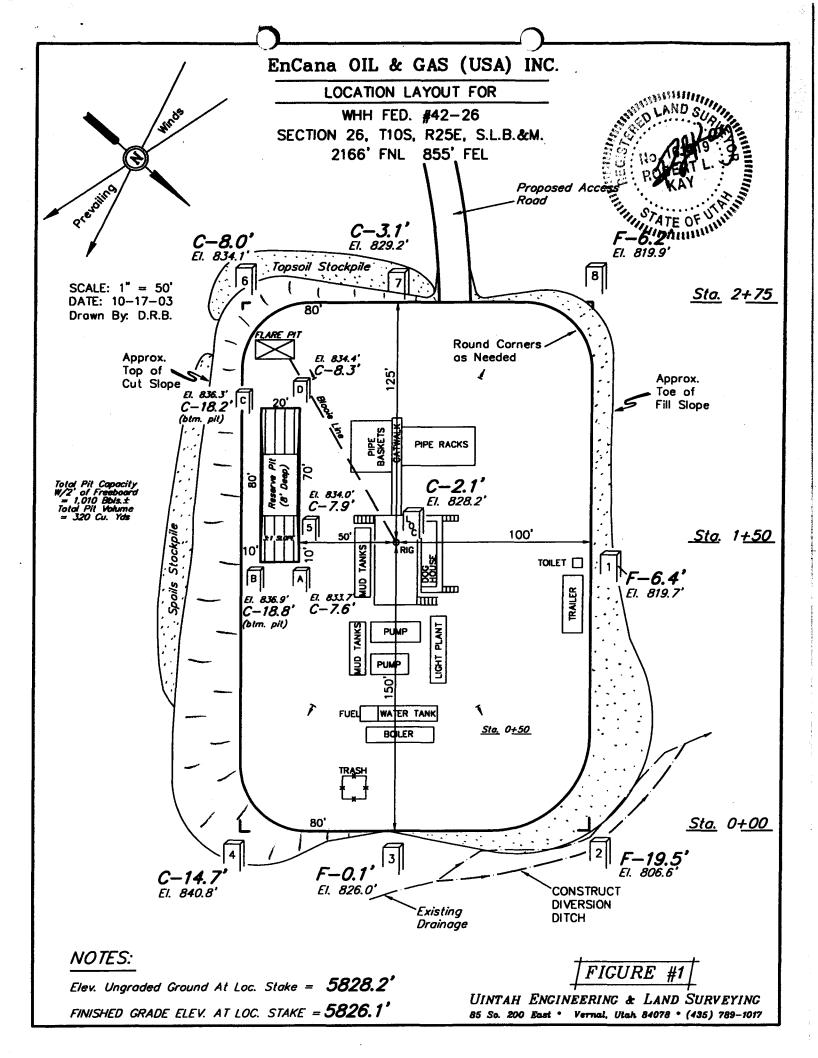
Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

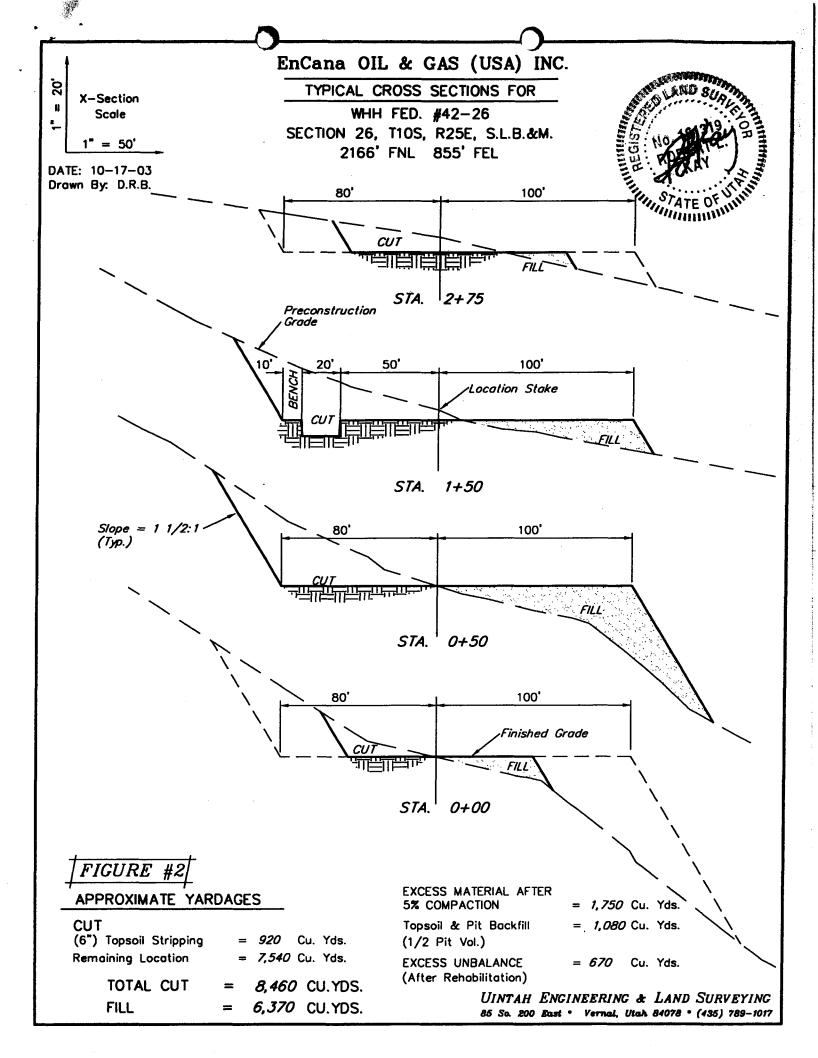
LOCATION PHOTOS

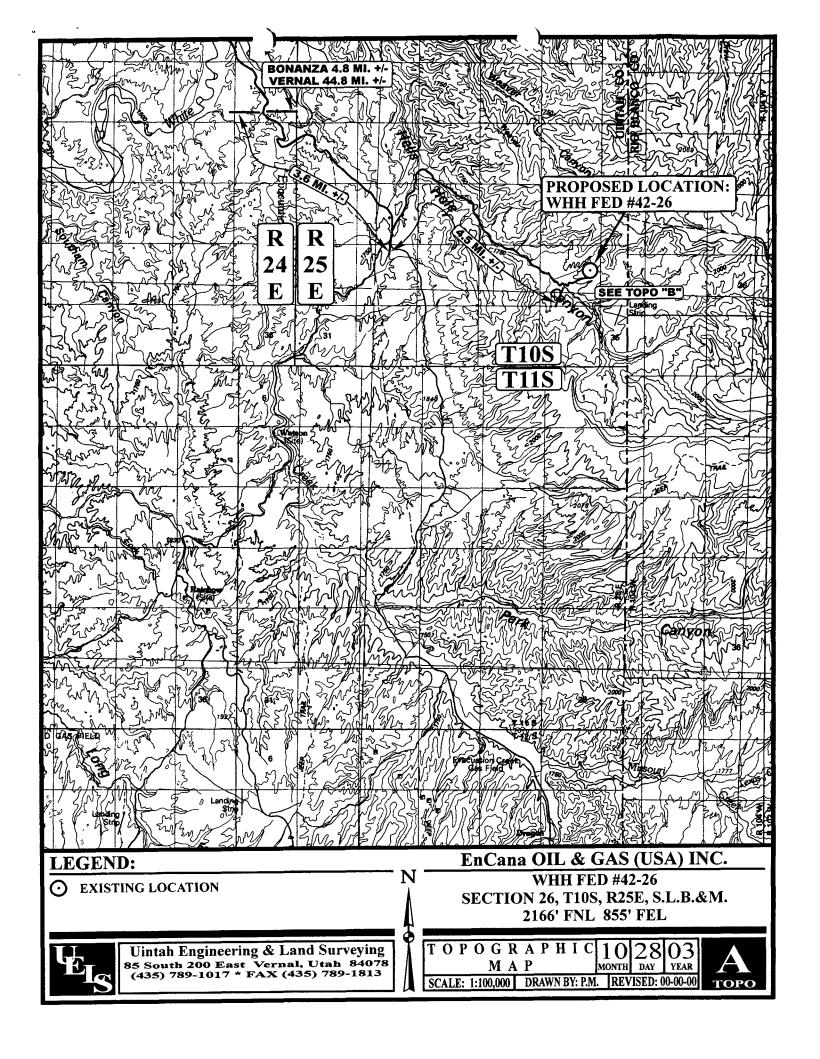
MONTH DAY

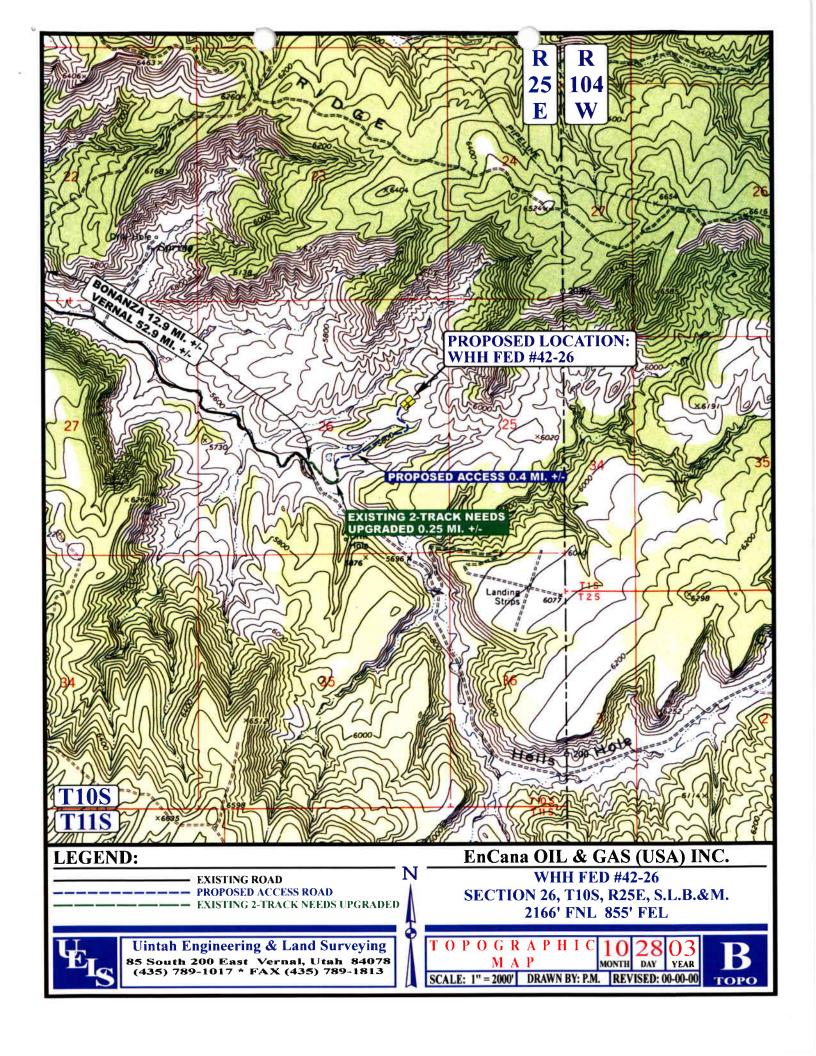
РНОТО

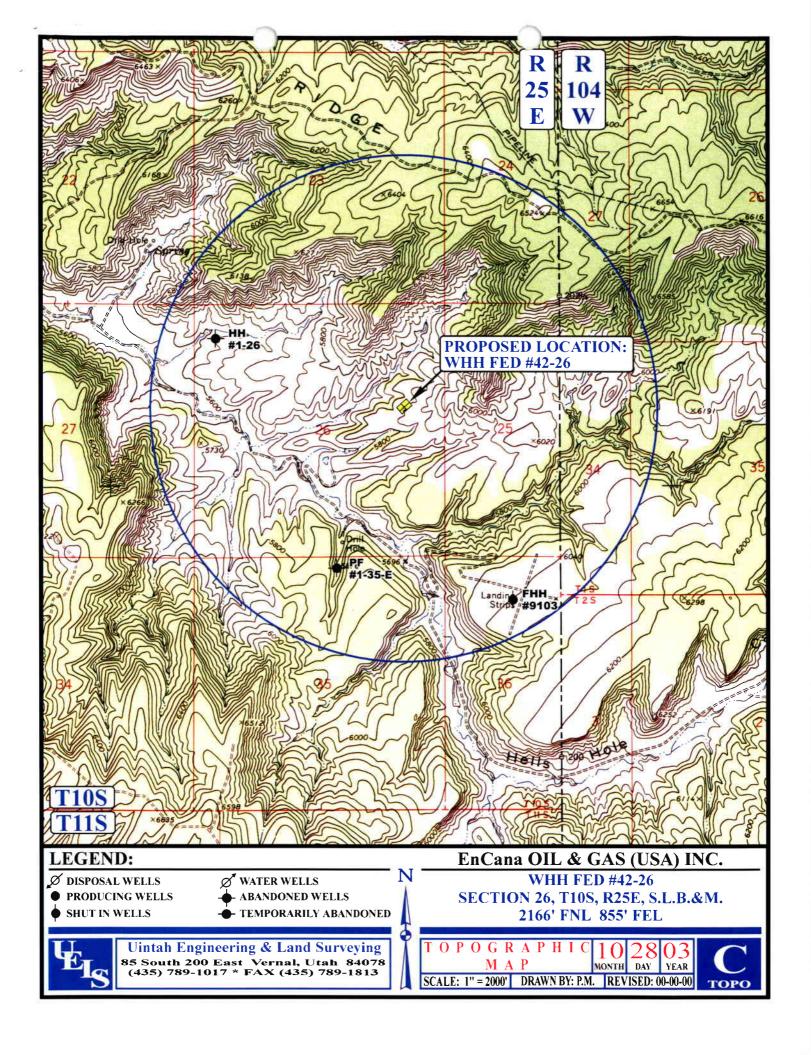
TAKEN BY: D.A. | DRAWN BY: P.M. | REVISED: 00-00-00





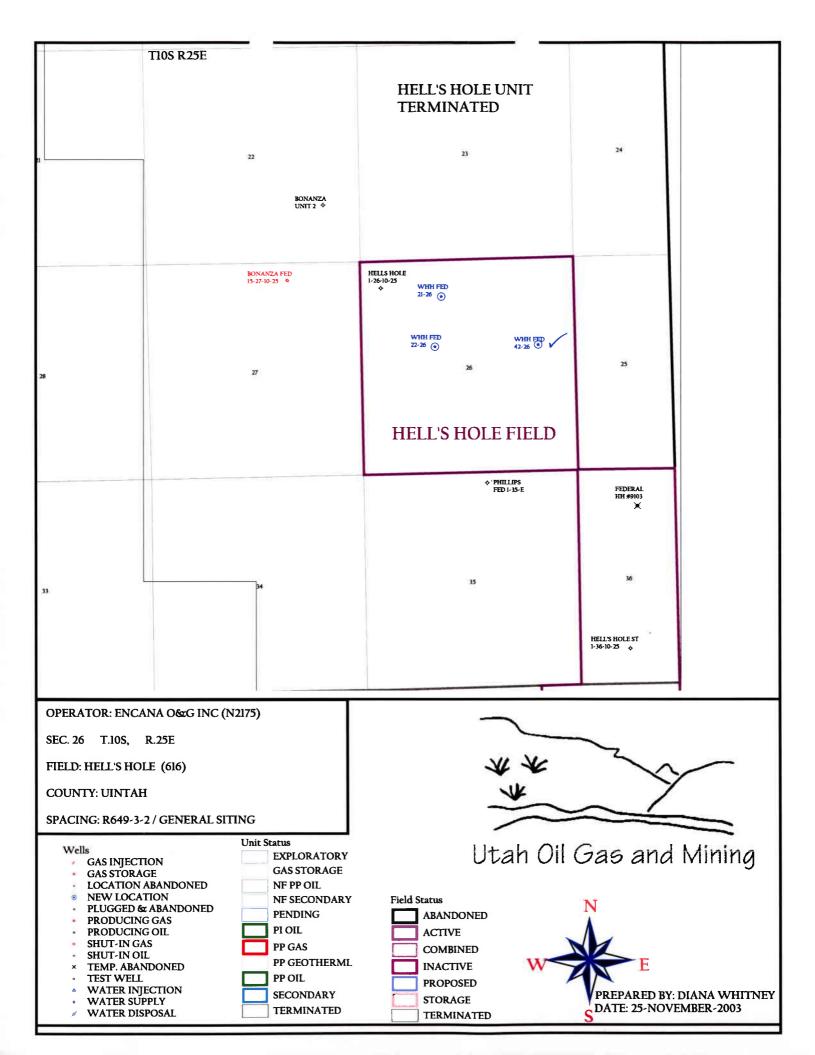






## WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 11/21/2003	API NO. ASSIGNED: 43-047-35354
WELL NAME: WHH FED 42-26  OPERATOR: ENCANA OIL & GAS INC ( N2175 )  CONTACT: JUDITH WALTER	PHONE NUMBER: 720-956-3702
PROPOSED LOCATION:  SENE 26 100S 250E  SURFACE: 2166 FNL 0855 FEL  BOTTOM: 2166 FNL 0855 FEL  UINTAH  HELL'S HOLE (616)  LEASE TYPE: 1 - Federal  LEASE NUMBER: UTU-80696  SURFACE OWNER: 1 - Federal  PROPOSED FORMATION: MNCS	INSPECT LOCATN BY: / /  Tech Review Initials Date  Engineering  Geology  Surface  LATITUDE: 39.92113  LONGITUDE: 109.06164
RECEIVED AND/OR REVIEWED:  Plat  Bond: Fed[1] Ind[] Sta[] Fee[]  (No. RLB0004733 )  Potash (Y/N)  Ni Oil Shale 190-5 (B) or 190-3 or 190-13  Water Permit  (No. 49-2162 )  RDCC Review (Y/N)  (Date: )  NA Fee Surf Agreement (Y/N)	LOCATION AND SITING:  R649-2-3.  Unit  R649-3-2. General         Siting: 460 From Qtr/Qtr & 920' Between Wells         R649-3-3. Exception  Drilling Unit         Board Cause No:         Eff Date:         Siting:  R649-3-11. Directional Drill
STIPULATIONS: 1- federa ( approx 2. Spacing Ship	





Michael O. Leavitt Governor Robert L. Morgan Executive Director

Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 (801) 538-5340 telephone (801) 359-3940 fax (801) 538-7223 TTY

www.nr.utah.gov

November 28, 2003

EnCana Oil & Gas (USA) Inc. 950 17th St., Suite 2600 Denver, CO 80202

Re:

West Hell's Hole Federal 42-26 Well, 2166' FNL, 855' FEL, SE NE, Sec. 26,

T. 10 South, R. 25 East, Uintah County, Utah

#### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35354.

Sincerely,

John R. Baza Associate Director

pab Enclosures

cc:

Uintah County Assessor

Bureau of Land Management, Vernal District Office



Operator:	EnCana Oil & Gas (USA) Inc.	
Well Name & Number	West Hell's Hole Federal 42-26	<del></del>
API Number:	43-047-35354	
Lease:	UTU-80696	

**Conditions of Approval** 

Sec.\_26

**T.** 10 South

**R.** 25 East

#### 1. General

Location: <u>SE NE</u>

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### 2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dan Jarvis at (801) 538-5338

#### 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.



State of Utah

Department of Natural Resources

ROBERT L. MORGAN Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT Acting Division Director

OLENE S. WALKER Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

January 14, 2005

Judith Walter Encana Oil & Gas Inc. 950 17<sup>TH</sup> Street Suite 2600 Denver CO 80202

Re:

APD Rescinded - WHH Fed 42-26, Sec. 26, T. 10S, R. 25E -

Uintah County, Utah API No. 43-047-35354

Dear Ms. Walter:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on November 28 2003. On January 13, 2005, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 13, 2005.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

**Engineering Technician** 

cc: Well File

Bureau of Land Management, Vernal

